

*U.S. Department of Energy Awards Salt River Project Competitive Grant Funds*

**WASHINGTON** - President Barack Obama today announced a \$3.4 billion investment in Smart Grid technology, the largest single Smart Grid modernization investment in U.S. history, funding a broad range of projects that will ease the nation's transition to a smarter, stronger, more efficient and reliable electric system.

As part of that investment, Tempe-based Salt River Project (SRP) was awarded a \$56 million competitive grant to install smart grid technology that will help save money and fuel and ensure that electricity is moved efficiently throughout Arizona and the Western Region. Mitchell, who advocated on behalf of the competitive grant application, welcomed the news of the award.

"Smart grid technologies will provide consumers in Arizona real-time information on their energy usage they can use to help conserve energy and lower their bills," said Mitchell. "Additionally, improvements like these are important towards ensuring that Arizona and the West do not experience the type of cascading power failure that left 10 states and about 50 million people across the eastern portion of the country without power in August 2003."

SRP will use the \$56,859,359 grant to expand its smart meter network, adding an additional 540,000 meters, a customer portal, and dynamic pricing that will provide consumers real-time information on energy usage and prices that they can use to reduce their energy bills. SRP will also match the grant with a cost share to help leverage an even greater investment.

The \$3.4 billion are part of the American Reinvestment and Recovery Act, and will be matched by industry funding for a total public-private investment worth over \$8 billion.

*Below is the text of Congressman Mitchell's to Secretary Chu letter in support of the competitive grant application:*

August 4, 2009

Dear Secretary Chu,

I write in regard to two applications that are being submitted by the Salt River Project Agricultural Improvement and Power District (SRP) for funding under the Smart Grid Investment Grant Program (DE-FOA-0000058). The first grant would help install nearly 500,000 smart meters, empowering consumers to make real-time decisions regarding their energy use and expenses. This project would be funded under the Topic Area "Advanced Metering Infrastructure." The second, being submitted under the "Integrated and/or Cross-Cutting Systems" Topic Area, would support smart transmission and distribution automation that will reduce outages throughout Arizona and the Western United States.

SRP is one of the nation's largest public power utilities providing electricity to nearly 1 million homes and businesses in the Phoenix Metropolitan area, many of whom are my constituents.

The Smart Grid technologies being pursued would help ensure that electricity is moved efficiently throughout the entire Phoenix metro area, the State of Arizona and the Western region. SRP has indicated that the deployment of nearly 500,000 additional smart meters enabled by this grant would result in advanced meters to be used by all its customers. The information provided by these meters allows customers to better control their energy use and costs, and will save an estimated 570,000 field visits annually, ultimately saving millions of dollars and over 200,000 gallons of fuel.

The transmission and distribution projects included in these applications will replace manual operation of the grid in the Phoenix area with remote operation and upgrade all of SRP's large substations. According to SRP, these changes would enhance power availability and reliability by 50 percent over current grid performance, optimize infrastructure efficiencies, and increase system resiliency. Improvements such as these are important to ensure that Arizona and the

Western Transmission System do not experience a cascading power failure like the one experienced in August 2003 when 10 states and about 50 million people across the Eastern United States were left without power.

In addition, each of the smart grid grants being sought will be matched with an SRP cost share, helping to leverage the federal dollars into an even greater investment.

I urge you to give these applications full and fair consideration.

Sincerely,

Harry E. Mitchell

Member of Congress